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To: All County Appraisers, County Clerks, County Commissioners, County Treasurers

and County Registers of Deeds

From: Roger Hamm, Deputy Director, Division of Property Valuation

Date: July 23, 2019

Subject: 2019 Legislative Summary

The 2019 Legislative Summary will highlight several separate bills that will impact both the Division of Vehicles and the Division of Property Valuation. All bills go into effect July 1, 2019, unless otherwise noted. Below are the topics of the 2019 legislative changes, followed by a discussion of each change.

Index of Topics

- 1. <u>20 Mill Statewide School Levy</u> is reauthorized for school years 2019-2020 and 2020-2021.
- **2. \$20,000 Residential School Levy Exemption** is extended for tax years 2019 and 2020.
- **3.** White Clay Watershed District Dissolved effective January 1, 2020.
- **4. Budget Lid Exception Added** to election requirements for cities or counties.
- 5. New Registration Fees for Electric and Hybrid Vehicles effective on and after January 1, 2020.
- 6. Several Amendments to the "Uniform Act" Regulating Traffic on Highways: a)
 Lighting for Transportation Network Company Drivers, b) Driver Responsibilities in
 Railroad Crossings, c) Vehicle Window Sun Screening Material, d) ATV/Work-site
 Utility Vehicles, e) Electric Scooters
- 7. Registration of Rental Vehicle Fleets effective on and after January 1, 2020.
- **8.** Class M License Required for a motorcycle operated with a temporary registration permit.
- **9.** Commercial Vehicle Markings removed from certain commercial truck/truck tractors.
- 10. <u>Increasing Certain Permit Fees for Oversized/Overweight Vehicles and Registering Escort Vehicle Companies</u> effective on and after January 1, 2020.
- 11. Manufacturing Compensation to Vehicle Dealers for Warranty Services

Analysis of Each Change

1. 20 Mill Statewide School Levy – Senate Bill 16 § 11 amending K.S.A. 75-5142(b)

Section 11 reauthorized the 20-mill statewide school levy for school years 2019-2020 and 2020-2021. Proceeds from this levy are to be remitted by the county treasurer to the state treasurer. The state treasurer will credit the entire amount in the state school district finance fund.

2. \$20,000 Residential School Levy Exemption – Senate Bill 16 § 19 amending

K.S.A. 2018 Supp. 79-201x

The exemption from the 20-mill statewide school levy up to the first \$20,000 of a residential appraised value was reauthorized for tax years 2019 and 2020.

3. White Clay Watershed District Dissolved – House Bill 2188 New §§ 1-3

This bill dissolves the White Clay Watershed District #26 on and after January 1, 2020. Upon dissolution of the district, the bill would transfer the following to the city of Atchison:

- All property of the district subject to any valid leases or agreements
- The responsibility of maintenance and repair for all watershed lakes, dams, and projects
- All powers, duties, and functions referred to in previous contracts/documents referring to "watershed district" or words of like effect
- Legal custody of all records, memoranda, writings, entries, prints, representations, electronic data, or combination of any act, transaction, occurrence, or event of the dissolved district

The bill would also authorize the court to allow suits, actions, or other proceedings maintained by or against the successor of the district, or any affected officer, commenced prior to its dissolution to proceed. The bill would specify that any such legal action would not be diminished due to the governmental reorganization under the bill.

4. Budget Lid Exception Added – House Bill 2188 § 4 amending K.S.A. 2018 Supp. 79-2925c

This bill would add an exception for a tax levy increase resulting from the dissolution of one taxing entity, transferring its responsibilities to a city or county from the provisions of the budget lid. Under these circumstances it would not require an approval from a majority of a city or counties qualified electors, provided any such levy increase does not exceed the prior levy of the dissolved entity.

5. New Registration Fees for Electric and Hybrid Vehicles – House Bill 2214 § 1 amending K.S.A. 2018 Supp. 8-143

New registration fees effective January 1, 2020 are for the following vehicles:

- \$50 for motor vehicles that are "electric hybrid" or "plug-in electric hybrid" vehicles
- \$100 for motor vehicles that are "all-electric" vehicles

Currently MOVRs does not have a consistently effective way to identify these electric and electric hybrid vehicles, but the Division of Vehicles (DoV) continues to develop a plan by January 1, 2020.

6. <u>a) Lighting for Transportation Network Company Drivers</u> - Senate Bill 63 New § 1, and § 2 amending K.S.A. 2018 Supp. 8-1729

Transportation network companies, such as Uber and Lyft, will be allowed to have company lights in the front center of vehicles when the driver is connected to the network.

b) Driver Responsibilities in Railroad Crossings – Senate Bill 63 § 3 amending

K.S.A. 2018 Supp. 8-1551

The statute requiring vehicles to stop at a railroad crossing for railroad trains was amended to include not only trains, but also other on-track equipment.

c) Window Sun Screening Material – Senate Bill 63 § 4 amending K.S.A. 2018 Supp. 8-1749a This provides for the use of specific sun screening material that meets several federal motor vehicle safety standards and other material enhancements necessary to safeguard the health of the driver or occupant of the vehicle. The driver or occupant must have a signed statement from a licensed physician or licensed optometrist stating, in their opinion, why the sun screening material is necessary.

d) ATV/Work-site Utility Vehicles – Senate Bill 63 § 5 amending K.S.A. 2018 Supp. 8-15,100 and § 6 amending K.S.A. 2018 Supp. 8-15,109

Two statutes were amended to allow all-terrain vehicles (ATV) and work-site utility vehicles to cross federal or state highways. Additionally, if the operation is for an agricultural purpose, ATVs and work-site utility vehicles may operate on a federal or state highway with certain restrictions. The operator must be a licensed driver, the highway posted speed must be 65 miles per hour or less, and the vehicle must operate as far to the right of the highway as practicable. This bill does not allow the operation of these vehicles within city limits unless authorized by the city.

e) Electric Scooters – Senate Bill 63 New §§ 7 and 8

New section 7 defines "electric-assisted scooters" as self-propelled, at least two wheels, electric motor, handlebars, brake and a deck for the operator.

New section 8 allows for these electric scooters, also called e-scooters, to be operated under the same traffic regulations as bicycles and cannot operate on an interstate, federal or state highway but are permitted to cross a federal or state highway. A city or county may adopt an ordinance or resolution that further restricts or prohibits their operation.

7. Registration of Rental Vehicle Fleets – Senate Bill 97 New §§ 1 and 2 and § amending K.S.A. 2018 Supp. 8-145

Vehicle fleets subject to the rental excise tax (K.S.A. 79-5117) would qualify for permanent license plates if registering more than 250 vehicles. Registrations are required to be submitted electronically to the DoV. After all applicable registration fees are paid, DoV will issue a permanent license plate and registration receipt which shall remain on/with the vehicle as long as the vehicle remains part of the qualifying fleet. This bill also authorizes transfer of a license plate and any unused registration fees to any other vehicle in that qualifying fleet.

8. Class M License Required – Senate Bill 17 § 1 amending K.S.A. 2018 Supp. 8-235

Under prior law, a holder of any class of driver's license could operate a motorcycle with a temporary registration permit, also known as a "temporary tag". This bill removes the previous exception and will now require a class M driver's license when operating a motorcycle registered under a temporary permit.

9. Commercial Vehicle Markings – House Bill 2127 § 1 amending K.S.A. 2018 Supp. 8-143e
House Bill 2127 removes statutory requirement for lettering to be painted or otherwise durably marked on the sides of a truck or truck tractor with a registered weight of more than 12,000 pounds and up to 26,000 pounds to identify the owner of lessee. It also removes requirements for findings by DoV regarding insignia or trademarks on these commercial vehicles and associated permits.

Federal regulations require any commercial motor vehicle used in interstate commerce to be marked with identification. This includes the legal name or single trade name of the motor carrier and the identification number issued by the Federal Motor Carrier Safety Administration. A state rule and regulation includes nearly identical requirements for intrastate motor carrier vehicles weighing at least 26,000 pounds.

10. Increasing Certain Permit Fees for Oversized/Overweight Vehicles and Registering Escort

Vehicle Companies – House Bill 2225 New § 1, and § 2 amending K.S.A. 2018 Supp. 8-1911

New section 1 requires each company that operates an escort service in the state to register annually with the Secretary of Transportation on and after January 1, 2020. Each registration application is to be accompanied with specific information detailed in this bill.

This bill also increases the following permit fees as of January 1, 2020:

- a) For each single-trip permit from \$20 to \$40
- b) For each single-trip permit for a large structure from \$30 to \$200
- c) For each single-trip permit for a superload from \$50 to \$200
- d) For each annual permit from \$150 to \$200
- **11.** <u>Manufacturing Compensation to Vehicle Dealers for Warranty Services</u> Senate Bill 39 § 1 amending K.S.A. 2018 Supp. 8-2415

This bill amends the Vehicle Dealers and Manufacturers Licensing Act regarding compensation of new vehicle dealers for warranty services.